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**MATRIC NO: 17/SMS02/058**

**COURSE: ACC 302 INTERMEDIATE FINANCIAL ACCOUNTING)**

 **COMPUTATION OF RATIO ANALYSIS FOR VARIOUS**

 **COMPANIES**

 **ACCOUNTING RATIOS**

**1. CONSUMER GOODS – NESTEL**

 **GUINNESS**

**2. BANK SECTOR – STANBIC IBTC**

 **UBA**

**3. INDUSTIALS – BETA GLASS**

 **JULIUS BERGER**

**4. BASIC MATERIALS – BOC GAS**

 **PORTLAND PAINTS**

**5. HEALTH CARE – MAY AND BAKER**

 **GLAXOSMITH**

**6. TELECOMMUNICATION – MTN**

 **CHAMPS**

**7. CONSUMER GOODS – ABC TRANSPORT**

 **CAPITAL HOTEL**

**8. OIL AND GAS – OANDO**

 **MOBIL**

 **CONSUMER GOODS (YEAR 2018)**

 **NESTEL**

1. Current Ratio= Current asset 82,734,317

 Current liabilities = 92,117,501= 1:1

1. Quick asset or Acid test ratio= current asset – inventory

 Current liabilities

 = 82,734,317 – 23,124,020

 92,117,501 = 1:1

1. Receivables collection period = Average trade receivables × 365 days

 Credit sales

 =36,802,756 × 365 days

 266,274,621 = 50 days

1. Payables payment period = Average trade payables × 365 days

 Credit purchases = 53,026,409

 151,568,212 =128 days

1. Inventory turnover period = Average inventory × 365 days

 Cost of sales = 23,517,161 × 365 days

 152,354,445 =56 days

1. Receivables turnover = Credit sales

 Average trade receivables = 266,274,621

 36,802,756 = 7 times

1. Payable turnover = Credit purchases

 Average trade payables = 151,568,212

 53,026,409 = 3 times

1. Inventory turnover = Cost of sales

 Average inventory = 152,354,445

 23,517,161 = 6 times

1. Returns on capital employed = Profit

 Capital employed × 100% = 43,008,026

 70,216,921 × 100% = 61%

1. Gross profit percentage = Gross Profit

 Sales × 100% = 113,920,176

 266,274,621 × 100% = 43%

1. Net profit margin = Net profit

 Sales × 100% = 43,008,026

 266,274,621 × 100% = 16%

 **GUINNESS**

a. Current ratio = Current asset

 Current liabilities = 54,610,047,000

 42,847,115000 = 1:1

b. Quick asset = Current asset – inventory

 Current liabilities = 54,610,047,000- 19,032,362,000

 42,847,115,000 = 1:1

 c. Receivables collection period = Average trade receivables

 Credit sales × 365 days = 23,890,304,000 × 365 days

 94,350,387,000 = 92 days

d. Payables payment period = Average trade payables

 Credit purchases ×365 days = 31,175,725,000

 94,350,387,000 × 365 days

 = 121 days

e. Inventory turnover period = Average inventory

 Cost of sales ×365 days = 11,945,152,000

 94,350,387,000 ×365 days

 = 46 days

f. Receivables turnover = Credit sales

 Average trade receivables = 94,350,387,000

 23,890,304,000 = 4 times

g. Payables turnover = Credit purchases

 Average trade payables = 117,316,895,000

 31,175,725,000 = 4 times

h. Inventory turnover = Cost of sales

 Average inventory = 94,350,387,000

 11,945,152,000 = 8 times

i. Returns on capital employed = Profit

 Capital employed × 100% = 6,717,605,000

 240,843,142,000 × 100% = 3%

j. Gross profit percentage = Gross profit

 Sales × 100% = 48,625,405,000

 94,350,387,000 × 100% = 52%

k. Net profit margin = Net profit

 Sales × 100% = 6,717,605,000

 94,350,387,000 × 100% = 7%

 For the Consumer goods, Nestle and Guinness Current Ratio are the same which means that both companies can pay for their current liabilities. The both companies Quick Assets are also the same i.e 1:1 but from Receivables turnover period, while Nestle will need 50 days to be able to collect their credit accounts from the customer twill take Guinness 92 days to do that. For Payables payment period, it will take Nestle 128 days to pay it suppliers while Guinness needs 121 days to do that. And so on…. I’ll advice the customer to go for Guinness because it more likely to benefit him/her.

 **BANK SECTOR (2017)**

 **STANBIC IBTC**

1. Returns on capital employed = Profit after tax

 Equity × 100% = 25,165

 92,654 × 100 = 27%

1. Net profit margin = Net profit

 Sales × 100% = 25,165

 29,922 × 100 = 84%

1. Expenses percentage = Individual expenses

 Total expenses × 100 =

 Individual expenses – staff cost

= total expenses = 1,282

 = 590

 1,282 × 100% = 46%

1. Expenses to sales = Individual expenses

 Sales × 100% = 590

 29,922 × 100 = 2%

1. Earnings per share = 25
2. Price earnings ratio = Market price per share

 Earnings per share = 41.50

 25 = 2 years

1. Earnings yield = Earnings per share

 Market price per share × 100 = 25

 41.50 × 100 = 60%

 h. Dividend per share = Gross dividend

 Number of ordinary share in issue = 5,025

 10,049,465,732 = 0.5

 i. Dividend payout ratio = Dividend yield

 Earnings per share = 0.5

 25 × 100 = 2%

 j. Dividend cover = Earnings per share

 Dividend per share = 25

 0.5 = 50 times

  **UBA**

a. Current ratio = Current asset

 Current liabilities = 2,626,021

 1,961,785 = 1.3:1

b. Quick asset = C

  **INDUSTRIALS**

 **BETA GLASS (2017)**

a. Current Ratio = Current Asset

 Current Liabilities = 26,334,166,000

 9,042,950,000 = 3:1

b. Quick Asset = Current Asset – Inventory

 Current Liabilities = 26,334,166,000 – 5,025,216,000

 9,042,950,000 = 2:1

c. Receivables collection period = Average trade receivables

 Credit sales × 365 days = 13,438,292,000

 26,321,014 × 365 days = 186 days

d. Payables payment period = Average trade payables

 Credit purchases × 365 days = 2,641,214,000

 16,938,395,000 × 365 days = 57 days

e. Inventory turnover period = Average Inventory

 Cost of sales ×365 days = 25,012,608,000

 16,938,395,000 × 365 days = 539 days

f. Receivables turnover = Credit sales

 Average trade receivables = 26,321,041,000

 13,438,292,000 = 2 times

g. Payables turnover = Credit purchase

 Average trade payables = 16,938,395,000

 2,641,214,000 = 6 times

h. Inventory turnover = Cost of sales

 Average inventory = 16,938,395,000

 25,012,608,000 = 1 time

i. Returns on capital employed = Profit

 Capital employed × 100% = 4,115,142,000

 29,168,663,000 × 100% =14.1%

j. Gross profit percentage = Gross profit

 Sales × 100% = 5,247,863,000

 16,938,395,000 × 100% = 31.0%

k. Net profit margin = Net profit

 Sales × 100% = 4,115,142,000

 16,938,395,000 × 100% = 24.3%

 **JULIUS BERGER (2017)**

a. Current ratio = Current asset

 Current liabilities = 109,403,206,000

 103,898,604,000 = 1:1

b. Quick asset = Current asset – Inventory

 Current liabilities = 109,403,206,000 – 9,208,956,000

 103,898,604,000 = 1:1

c. Receivables collection period = Average trade receivables

 Credit sales × 365 days = 35,344,852,000

 95,762,476,000 × 365 days = 135 days

d. Payables payment period = Average trade payables

 Credit purchases × 365 days = 20,025,993,000

 95,762,476,000 × 365 days = 76 days

e. Inventory turnover period = Average inventory

 Cost of sales × 365 days = 4,604,478,000

 95,762,476,000 × 365 days = 18 days

f. Receivables turnover = Credit sales

 Average trade receivables = 95,762,476,000

 35,344,852,000 = 3 times

g. Payables turnover = Credit purchases

 Average trade payables = 95,762,476,000

 4,142,157,000 = 23 times

h. Inventory turnover = Cost of sales

 Average inventory = 95,762,476,000

 4,604,478,000 = 21 times

i. Returns on capital employed = Profit

 Capital employed × 100% = 636,353,000

 153,119,858,000 × 100% = 1%

j. Gross profit percentage = Gross profit

 Sales × 100% = 30,015,372,000

 95,762,476,000 × 100% = 31%

k. Net profit margin = Net profit

 Sales × 100% = 636,353,000

 95,762,476,000 × 100% = 1%

 For Industrials, Beta glass is able to pay for its Current liabilities better than Julius Berger. The both companies Quick Assets also shows that Beta glass’s liquidation is better than that of Julius Berger. But for Receivables turnover period, while Julius Berger will need 135 days to be able to collect their credit accounts from the customer twill take Beta glass 186 days to do that. For Payables payment period, it will take Julius Berger 76 days to pay it suppliers while Beta glass needs 57 days to do that. And so on…. I’ll advice the customer to go for Beta glass because it more likely to benefit him/her.

 **BASIC MATERIALS**

 **BOC GAS**

a. Current ratio = Current asset

 Current liabilities = 2,119,056,000

 1,298,954,000 = 2:1

b. Quick asset = Current asset – Inventory

 Current liabilities = 2,119,056,000- 156,404,000

 1,298,954,000 = 2:1

c. Receivables collection period = Average trade receivables

 Credit sales × 365 days = 425,776,000

 2,869,713,000 × 365 days = 54 days

d. Payables payment period = Average trade payables

 Credit purchases × 365 days = 1,026,198,000

 1,425,662,000 × 365 days = 263 days

e. Inventory turnover = Average Inventory

 Costs of sales × 365 days = 156,404,000

 1,425,662,000 × 365 days = 40 days

f. Receivables turnover = Credit sales

 Average trade receivables = 2,869,713,000

 425,776,000 = 7 times

g. Payables turnover = Credit purchases

 Average trade payables = 1,425,662,000

 1, 026,198,000 = 1 time

h. Inventory turnover = Cost of sales

 Average inventory = 1,425,662,000

 156,404,000 = 9 times

i. Returns on capital employed = Profit

 Capital employed × 100% = 357,604,000

 3,192,302,000 × 100% = 11%

j. Gross profit percentage = Gross profit

 Sales × 100% = 1,444,051,000

 1,425,662,000 × 100% =101%

k. Net profit margin = Net profit

 Sales × 100% = 357,604,000

 1,425,662,000 × 100% = 25%

 **PORTLAND PAINTS**

a. Current ratio = Current asset

 Current liabilities = 1,718,570,000

 700,439,000 = 3:1

b. Quick asset = Current asset – inventory

 Current liabilities = 1,718,570,000 – 728,047,000

 700,439,000 = 1:1

c. Receivables collection period = Average trade receivables

 Credit sales × 365 days = 476,180,000

 2,829,262,000 × 365 days = 61 days

d. Payables payment period = Average trade payables

 Credit purchases × 365 days = 501,988,000

 1,753,972,000 × 365 days = 104 days

e. Inventory turnover period = Average inventory

 Cost of sales × 365 days = 728,047,000

 1,753,972,000 × 365 days = 152 days

f. Receivables turnover = Credit sales

 Average trade receivables = 2,829,262,000

 467,180,000 = 6 times

g. Payables turnover = Credit purchases

 Average trade payable = 1,753,972,000

 501,988,000 = 3 times

h. Inventory turnover = Cost of sales

 Average inventory = 1,753,972,000

 728,047,000 = 2 times

i. Returns on capital employed = Profit

 Capital employed × 100% = 306,635,000

 1,551,029,000 × 100% =19.8%

j. Gross profit percentage = Gross profit

 Sales × 100% = 1,075,290,000

 1,753,972,000 × 100% = 61.3%

k. Net profit margin = Net profit

 Sales × 100% = 306,635,000

 1,753,972,000 × 100% = 17.5%

For Basic materials, Portland paint is able to pay for its Current liabilities better than BOC Gas. The both companies Quick Assets shows that BOC Gas liquidation is better than that of Portland paint. But for Receivables turnover period, while BOC Gas will need 54 days to be able to collect their credit accounts from the customer twill take Portland paints 61 days to do that. For Payables payment period, it will take Portland paints 104 days to pay it suppliers while BOC Gas needs 263 days to do that. And so on…. I’ll advice the customer to go for BOC Gas because it more likely to benefit him/her.

 **HEALTH CARE**

 **MAY AND BAKER**

a. Current ratio = Current asset

 Current liabilities = 3,504,068,000

 3,149,359,000 = 1.1:1

b. Quick asset = Current asset – Inventory

 Current liabilities = 3,504,068,000 – 1,270,045,000

 3,149,359,000 = 1.5:1

c. Receivables collection period = Average trade receivables

 Credit sales × 365 days = 1,944,549,000

 7,081,992,000 × 365 days =

 100 days

d. Payables payment period = Average trade payables

 Credit purchases × 365 days = 1,063,864,000

 4,459,253,000 × 365 days =

 87 days

e. Inventory turnover period = Average inventory

 Cost of sales × 365 days = 1,270,045,000

 4,459,253,000 × 365 days = 104 days

f. Receivables turnover = Credit sales

 Average receivables = 7,018,922,000

 1,944,549,000 =4 times

g. Payables turnover = Credit purchases

 Average payables = 4,459,253,000

 1,063,864,000 = 4 times

h. Inventory turnover = Cost of sales

 Average inventory = 4,459,253,000

 1,270,045,000 = 4 times

i. Returns on capital employed = Profit

 Capital employed × 100% = 63,341,000

 5,005,286,000 × 100% =1%

J. Gross profit percentage = Gross profit

 Sales × 100% = 2,514,857,000

 4,459,253,000 × 100% = 56%

k. Net profit margin = Net profit

 Sales × 100% = 93,165,000

 4,459,253,000 × 100% = 2%

 **GLAXOSMITH**

a. Current ratio = Current asset

 Current liabilities = 13,338,313,000

 6,760,189,000 = 2:1

b. Quick asset = Current asset – Inventory

 Current liabilities = 13,338,313,000 – 3,938,707,000

 6,760,189,000 = 1:1

c. Receivables collection period = Average trade receivables

 Credit sales × 365 days = 5,740,325,000

 18,411,475,000 × 365 days = 114 days

d. Payables payment period = Average trade payables

 Credit purchases × 365 days = 6,244,359,000

 11,654,697,000 × 365 days = 196days

e. Inventory turnover period = Average inventory

 Cost of sales × 365 days = 3,938,707,000

 11,654,697,000 × 365 days = 123 days

f. Receivables turnover = Credit sales

 Average trade receivables = 18,411,475,000

 5,740,325,000 = 3 times

g. Payables turnover = Credit purchases

 Average trade payables = 11,654,697,000

 6,244,359,000 = 2 times

h. Inventory turnover = Cost of sales

 Average inventory = 11,654,697,000

 3,938,707,000 = 3 times

i. Returns on capital employed = Profit

 Capital employed × 100% = 618,389,000

 8,758,276,000 × 100% =7.1%

j. Gross profit percentage = Gross profit

 Sales × 100% = 6,756,778,000

 11,654,697,000 × 100% = 58%

k. Net profit margin = Net profit

 Sales × 100% = 618,389,000

 11,654,697,000 × 100% = 5.3%

 For Health sector, Glaxosmith is able to pay for its Current liabilities better than May and Baker. The both companies Quick Assets shows that May and Baker’s liquidation is better than that of Glaxosmith. But for Receivables turnover period, while May and Baker will need 100 days to be able to collect their credit accounts from the customer twill take Glaxosmith 114 days to do that. For Payables payment period, it will take May and Baker 87 days to pay it suppliers while Glaxosmith needs 196 days to do that. And so on…. I’ll advice the customer to go for May and Baker because it more likely to benefit him/her.

  **TELECOMMUNICATION**

 **MTN COMPANY LIMITED (2017)**

a. Current ratio = Current asset

 Current liabilities = 59,900

 65,116 = 1:1

b. Quick asset = Current asset – Inventory

 Current liabilities = 59,900 – 3,000

 65,116 = 1:1

c. Receivables collection period = Average trade receivables

 Credit sales × 365 days = 33,694

 132,815 × 365 days = 93 days

d. Payables payment period = Average trade payables

 Credit purchases × 365 days = 22,859

 132,815 × 365 days = 63 days

e. Inventory turnover period = Average inventory

 Cost of sales × 365 days = 1,500

 132,815 × 365 days = 4 days

f. Receivables turnover = Credit sales

 Average trade receivables = 132,815

 33,693 = 4 times

g. Payables turnover = Credit purchases

 Average trade payables = 132,815

 22,895 = 6 times

h. Inventory turnover = Cost of sales

 Average inventory = 132,815

 1,500 = 9 times

i. Returns on capital employed = Profit

 Capital employed × 100% = 4,541

 177,299 × 100% = 2.6%

j. Gross profit percentage = Gross profit

 Sales × 100% = 6,516

 132,815 × 100% = 4.9%

k. Net profit margin = Net profit

 Sales × 100% = 4,541

 132,815 × 100% = 3.4%

 **CHAMPS PLC (2017)**

a. Current ratio = Current asset

 Current liabilities = 2,161,853,000

 1,627,573,000 = 1:1

b. Quick asset = Current asset – inventory

 Current liabilities = 2,161,853,000 – 592,767,000

 1,627,573,000 = 1:1

c. Receivables collection period = Average trade receivables

 Credit sales × 365 days = 624,098,500

 3,390,692,000 × 365 days = 67 days

d. Payables payment period = Average trade payables

 Credit purchases × 365 days = 555,913,000

 3,390,692,000 × 365 days = 60 days

e. Inventory turnover period = Average inventory

 Cost of sales × 365 days = 296,383,500

 3,390,692,000 × 365 days = 32 days

f. Receivables turnover = Credit sales

 Average trade receivables = 3,390,692,000

 624,098,500 = 5 times

g. Payables turnover = Credit purchases

 Average trade payables = 3,390,692,000

 555,913,000 = 6 times

h. Inventory turnover = Cost of sales

 Average inventory = 3,390,692,000

 296,383,500 =11 times

i. Returns on capital employed = Profit

 Capital employed × 100% = 517,562,000

 8,461,288,000 × 100% = 6.1%

j. Gross profit percentage = Gross profit

 Sales × 100% = 1,386,621,000

 3,390,692,000 × 100% = 40.9%

k. Net profit margin = Net profit

 Sales × 100% = 517,562,000

 3,390,692,000 × 100% = 15.3%

For Communication, MTN and Champs PLC are both able to pay for their Current liabilities. The both companies Quick Assets also shows that both companies liquidation are the same. But for Receivables turnover period, while Champs PLC will need 67 days to be able to collect their credit accounts from the customer twill take MTN 93 days to do that. For Payables payment period, it will take Champs PLC 60 days to pay it suppliers while MTN needs 63 days to do that. And so on…. I’ll advice the customer to go for MTN because it more likely to benefit him/her.

 **CONSUMER SERVICES**

 **ABC TRANSPORT**

a. Current ratio = Current asset

 Current liabilities = 876,429,000

 1,506,683,000 = 1:1

b. Quick asset = Current asset – Inventory

 Current liabilities = 876,429,000 – 212,857,000

 1,506,683,000 = 1:1

c. Receivables collection period = Average trade receivables Credit sales × 365 days = 199,000,500

 1,087,878,000 × 365 days =

 67 days

d. Payables payment period = Average trade payables

 Credit purchases × 365 days = 329,225,000

 1,087,878,000 × 365 days =110 days

e. Inventory turnover period = Average inventory

 Cost of sales × 365 days = 106,428,500

 1,087,878,000 × 365 days = 36 days

f. Receivables turnover = Credit sales

 Average trade receivables = 1,087,878,000

 199,000,500 = 5 times

g. Payables turnover = Credit purchases

 Average trade payables = 1,087,878,000

 329,225,000 = 3 times

h. Inventory turnover = Cost of sales

 Average inventory = 1,087,878,000

 106,428,500 = 10 times

i. Returns on capital employed = Profit

 Capital employed × 100% = 71,353,000

 2,195,402,000 × 100% = 3%

j. Gross profit percentage = Gross profit

 Sales × 100% = 244,937,000

 1,087,878,000 × 100% = 23%

k. Net profit margin = Net profit

 Sales × 100% = 71,353,000

 1,087,878,000 × 100% = 7%

 **CAPITAL HOTELS PLC**

a. Current ratio = Current asset

 Current liabilities =5,698,295,000

 2,630,478,000 = 2:1

b. Quick asset = Current asset – inventory

 Current liabilities = 5,698,295,000 – 141,990,000

 2,630,478,000 = 2:1

c. Receivables collection period = Average trade receivables

 Credit sales × 365 days = 810,038,500

 4,869,732,000 × 365 days = 61 days

d. Payables payment period = Average trade payables

 Credit purchases × 365 days = 1,189,048,000

 4,869,732,000 × 365 days = 89 days

e. Inventory turnover period = Average inventory

 Cost of sales × 365 days = 70,995,000

 4,869,732,000 × 365 days = 5 days

f. Receivables turnover = Credit sales

 Average trade receivables = 4,869,732,000

 810,038,500 = 6 times

g. Payables turnover = Credit purchase

 Average trade payables = 4,869,732,000

 1,189,048,000 = 4 times

h. Inventory turnover = Cost of sales

 Average inventory = 4,869,732,000

 70,995,000 = 69 times

i. Returns on capital employed = Profit

 Capital employed × 100% = 379,946,000

 7,446,341,000 = 5%

j. Gross profit percentage = Gross profit

 Sales × 100% = 1,107,704,000

 4,869,732,000 × 100% = 23%

k. Net profit margin = Net profit

 Sales × 100% = 379,946,000

 4,869,732,000 × 100% = 8%

For Consumer services, Capital hotel is able to pay for its Current liabilities better than ABC transport. Also, Quick Assets shows that Capital hotel’s liquidation is better than ABC transport. But for Receivables turnover period, while Capital hotel will need 61 days to be able to collect their credit accounts from the customer twill take ABC transport 67 days to do that. For Payables payment period, it will take Capital hotel 89 days to pay it suppliers while ABC transport needs 110 days to do that. And so on…. I’ll advice the customer to go for Capital hotel because it more likely to benefit him/her.

 **OIL AND GAS**.

 **OANDO**

a. Current ratio = Current asset

 Current liabilities = 130,118,542,000

 448,602,832,000 = 1:1

b. Quick asset = Current asset – inventory

 Current liabilities = 130,118,542,000 – 28,392,500,000

 448,602,832,000 = 1:1

c. Receivables collection period = Average trade receivables

 Credit sales × 365 days = 42,395,722,000

 488,938,074,000 × 365 days = 32 days

d. Payables payment period = Average trade payables

 Credit purchases × 365 days = 132,708,826,000

 488,938,074,000 × 365 days = 99 days

e. Inventory turnover period = Average inventory

 Cost of sales × 365 days = 14,196,250,000

 488,938,074,000 × 365 days = 11 days

f. Receivables turnover = Credit sales

 Average trade receivables = 488,938,074,000

 42,395,772,000 = 12 times

g. Payables turnover = Credit purchases

 Average trade payables = 488,938,074,000

 132,708,826,000 = 4 times

h. Inventory turnover = Cost of sales

 Average inventory = 488,938,074,000

 14,196,250,000 = 34 times

i. Returns on capital employed = Profit

 Capital employed × 100% = 18,321,877,000

 626,507,603,000 × 100% = 3%

j. Gross profit percentage = Gross profit

 Sales × 100% = 419,914,000

 488,938,074,000 × 100% = 0%

k. Net profit margin = Net profit

 Sales × 100% = 18,321,877,000

 488,938,074,000 × 100% = 4%

  **MOBIL**

a. Current ratio = Current asset

 Current liabilities = 34,183,632,000

 19,327,761,000 = 2:1

b. Quick asset = Current asset – inventory

 Current liabilities = 34,183,632,000 – 17,918,599,000

 19,327,761,000 = 1:1

c. Receivables collection period = Average trade receivables

 Credit sales × 365 days = 5,756,945,000

 148,015,916,000 × 365 days

 = 14 days

d. Payables payment period = Average trade payables

 Credit purchases × 365 days = 4,106,050,500

 148,015,916,000 ×365days = 10 days

e. Inventory turnover = Average inventory

 Cost of sales × 365 days = 8,959,299,500

 148,015,916,000 × 365 days = 22 days

f. Receivables turnover = Credit sales

 Average trade receivables = 148,015,916,000

 5,756,945,000 = 26 times

g. Payables turnover = Credit purchases

 Average trade payables = 148,015,916,000

 4,106,050,500 = 36 times

h. Inventory turnover = Cost of sales

 Average inventory = 148,015,916,000

 8,959,299,500 = 17 times

i. Returns on capital employed = Profit

 Capital employed × 100% = 7,518,733,000

 51,333,037,000 × 100% = 15%

j. Gross profit percentage = Gross profit

 Sales × 100% = 16,593,619,000

 148,051,916,000 × 100% = 11%

k. Net profit margin = Net profit

 Sales × 100% = 7,518,733,000

 148,051,916,000 × 100% = 5%

For Oil and Gas sector, Mobil is able to pay for its Current liabilities better than Oando. The both companies Quick Assets shows that both companies liquidation are the same. But for Receivables turnover period, while Mobil will need 14 days to be able to collect their credit accounts from the customer twill take Oando 32 days to do that. For Payables payment period, it will take Mobil 610 days to pay it suppliers while Oando needs 99 days to do that. And so on…. I’ll advice the customer to go for Mobile because it more likely to benefit him/her.